



**The City of Alexandria, Virginia**  
**Notice of Proposed Budget**  
**For the Year Ending June 30, 2007**

The City Manager has recommended a General Operating budget totaling \$503.5 million and an All Funds budget totaling \$615.1 million. A Capital Improvement Program (CIP) for FY 2007 to FY 2012 has been proposed which totals \$331.5 million for this six year period, including \$67.6 million in **proposed** funding for FY 2007. The proposed budget and CIP both address the City Council's Strategic Plan in providing to meet the goals of:

1. Quality development and redevelopment that is well planned and consistent with Alexandria's vision.
2. An integrated, multi-modal transportation system that efficiently and effectively gets people from point "A" to point "B."
3. A caring community that is diverse and affordable.
4. A strong local economy that is growing in varied small businesses and job opportunities.
5. A City that respects, protects and enhances the natural environment.
6. A City government that is financially sustainable, efficient and community oriented.
7. Public schools that are among the best in Northern Virginia (in partnership with the Alexandria Schools).
8. A safe community maintained by high quality public safety organizations and judicial administrations.

The proposed budget and CIP are available for public review in the City's libraries and online at [www.alexandriava.gov/budget](http://www.alexandriava.gov/budget).

**NOTICE OF PROPOSED REAL PROPERTY TAX INCREASE**

This notice is required by State law. The tax rate is proposed to decrease from \$0.915 to \$0.847 to fund the FY 2007 Proposed Operating Budget and Capital Improvement Program.

The City of Alexandria proposes to increase property tax levies.

1. **Assessment Increase:** Total assessed value of real property, excluding additional assessments for new construction, or improvement to property, exceeds last year's total assessed value of real property by 18.28 percent.
2. **Lowered Rate Necessary to Offset Increased Assessment:** The tax rate which would levy the same amount of real estate tax as last year, when multiplied by the new total assessed value of real estate with the exclusions mentioned above, would be \$0.774 per \$100 of assessed value. This rate will be known as the "lowered tax rate."
3. **Effective Rate Increase:** The City of Alexandria proposes to adopt a tax rate of \$0.847 per \$100 of assessed value. The difference between the lowered tax rate and the proposed tax rate would be \$0.073 per \$100, or a 9.5 percent increase. This difference will be known as the "effective tax rate increase." Individual property taxes may, however, increase at a percentage greater than or less than the above percentage.
4. **Proposed Total Budget of the City of Alexandria** (including the General Fund and all Special Revenue grant funds and other sources) will increase by 9.3 percent compared to last year's total budget.

5. Impact of Tax Exempt Properties: For 2006, the total estimated value of taxable and non-taxable locally and non-locally assessed real property within the City is \$37.2 billion, with \$1.0 billion as the estimate of the value of non-governmental tax exempt property, \$3.3 billion as the estimate of the value of governmental tax exempt property, and \$32.9 billion as the value of taxable property. The estimated amount of forgone annual real estate taxes from non-governmental tax exempt property is \$8.6 million at the proposed tax rate of \$0.847.

A public hearing on the increase will be held on Saturday, March 18, 2006, at 9:30 a.m., at the City Council Chamber of City Hall, 301 King Street, Alexandria, Virginia. The hearing shall be open to the public. The governing body shall provide persons desiring to be heard an opportunity to present oral testimony within such reasonable time limits as shall be determined by the governing body.

All persons wishing to speak to this issue may contact the City Clerk and Clerk of Council located on the second floor, Room 2800, City Hall, or may appear and be heard after completing a Speakers form before Council.

Persons with disabilities who wish to request accommodation for this public hearing should contact the Office of the City Clerk and Clerk of Council at 838-4550 (TTY/TDD 838-5056) prior to Wednesday, March 15, 2006, if possible.

Individuals with disabilities who require assistance or special arrangements, or who require language translation services to participate in the City Council meeting may call the City Clerk and Clerk of Council's Office at 838-4500. We request that you provide a 48-hour notice so that the proper arrangements may be made.